

Office of the
Legislative Fiscal Analyst

FY 2003 Budget Recommendations

Joint Appropriations Subcommittee for
Executive Offices, Criminal Justice and Legislature

Utah Department of Corrections

Contents:

- 1.0 Summary
- 2.0 Issues
- 3.0 Programs
- 4.0 Additional Information

1.0 Department of Correction

The Department of Corrections is the adult correctional authority for the State of Utah and has community protection as its primary mission. The mission statement of the Department reads as follows:

“We are corrections professionals, dedicated to protecting our community by enforcing orders of the court and Board of Pardons. We are also dedicated to guiding offenders to become law abiding citizens through the use of professional and community resources.”

To accomplish their mission, the Department must develop and provide programs that identify and control the convicted offender’s inappropriate behavior, and help the offenders in functioning as law-abiding citizens.

	Analyst FY 2003 Base	Analyst FY 2003 Changes	Analyst FY 2003 Total
Financing			
General Fund	178,645,900	(47,300)	178,598,600
General Fund, One-time	(2,900,000)		(2,900,000)
Federal Funds	1,121,800		1,121,800
Dedicated Credits Revenue	19,533,100		19,533,100
GFR - Tobacco Settlement	81,700		81,700
Transfers - Commission on Criminal a	773,700		773,700
Transfers - Other Agencies	500		500
Closing Nonlapsing	(50,000)		(50,000)
Total	<u>\$197,206,700</u>	<u>(\$47,300)</u>	<u>\$197,159,400</u>
Programs			
Administration	8,698,500	4,771,900	13,470,400
Field Operations	38,501,200	523,200	39,024,400
Institutional Operations	108,698,100	(3,642,000)	105,056,100
Draper Medical Services	17,555,300	(1,439,800)	16,115,500
Utah Correctional Industries	15,993,000		15,993,000
Jail Reimbursement	7,760,600	(260,600)	7,500,000
Total	<u>\$197,206,700</u>	<u>(\$47,300)</u>	<u>\$197,159,400</u>
FTE/Other			
Total FTE	2,307	11	2,318
Vehicles	359	0	359

2.0 Issues: Utah Department of Corrections

The following section summarizes the key issues for the Department of Corrections. Included are items that the Subcommittee members may want to include on a prioritized list to be taken to the Executive Appropriations Committee. Any new funding recommendations are contingent on funds becoming available.

2.1 Base Budget Recommendation and Department Organizational Restructuring

The Department of Corrections has restructured its budgeting and accounting to more accurately reflect the actual operations of the organization. As one reviews this budget recommendation, it should be noted that FTE and budget have been shifted between programs and line items. One new program, Institutional Operations Programming, was created by shifting activities and resources from other programs and line items. These changes are reflected in the budgeting for the various line items within the Department.

The *Analyst FY 2003 Base* budget recommendation includes the *Revised Estimate* from FY 2002 as approved by the Executive Appropriations Committee. It is made up of the following items:

- Adjustment for FY 2002 one-time programs;
- Payroll cost of an extra day in FY 2003;
- Transfers of Market Comparability Adjustments; and,
- Net changes for Internal Service Fund rates.

FY 2003 changes reflect the incremental costs and continuation of across the board reductions and annualization of partial budget cuts approved for FY 2002. Other adjustments to this budget are:

- A reduction to Jail Reimbursement of 3.4 percent or \$270,000.
- Additional funding to correct a \$287,000 compensation funding error from last General Session;
- A reduction to Jail Reimbursement of \$260,600
- 800 MHz project funding of \$96,300

2.2 Adult Probation and Parole Agents

The Department has requested funding for additional agents. The Analyst supports this request if additional funding becomes available to promote the effort to better manage the prison population, reduce recidivism and eliminate the need to increase funding for incarceration. The Department must continue its philosophy shift to assist parolees and probationers to be successful rather than just assure compliance with the terms of their release.

The annual growth has been averaging 7-10% each year, with some years seeing growth in the range of as much as 1,000 additional offenders. The Corrections' staff-to-offender ratio continues to climb each year. Public safety could be eroded when staff ratios do not keep pace with growth in offender population.

Additional funding of \$668,000 would provide fifteen additional probation and parole officers along with 8 vehicles. If some amount of funding is approved for this activity, it should be noted that for every two agents hired, the Department would purchase one vehicle. This provides transportation for the required home visits.

2.3 Medical Expenses

The Department has requested funding to address current expense needs in the Medical Services area. There has been an increase in medical expenses over the last 10 years. Lab services have increased from \$40,000 in 1995 to \$189,000 in 2000. Ambulance service has increased to \$60,000 from \$20,000 in just a few years. There has been an escalation in the treatment of the chronically ill, including HIV and Hepatitis infected offenders. One inmate being treated for HIV with triple viral therapy can cost as much as \$35,000 annually. While the budget for county jail medical is \$88,000, medical services provided to state inmates in county jails totaled \$540,000 in FY'01. The medical services contract with the University of Utah Hospital is traditionally overspent by approximately \$500,000. Resources are transferred from other programs and activities to offset these required costs. Additional funding would be used to supplement the University of Utah medical contract.

Another option for the committee to consider evaluating is the privatization of Medical Services. This could reduce costs while maintaining current level of services. The Analyst recommends that this issue be studied.

2.4 Infectious Disease Control

Prison systems throughout the United States have become breeding grounds for tuberculosis and hepatitis. Because many incarcerated offenders are already in poor health, they are vulnerable to contracting serious infections. As part of a state-wide health initiative, Corrections is trying to reduce the spread of these two serious illnesses. Utah's prison system is "ground zero" for the spread of hepatitis and tuberculosis. Depending on the profile of the offender and the type of test conducted, hepatitis screening costs can run from \$80 per test to \$160 per test. Additional funding would allow Corrections to test and treat the projected number of offenders expected to manifest these illnesses. If funding were available, \$350,000 would be needed to test and treat for these ailments.

2.5 Jail Contracting

The less population pressure the prison system has on its limited capacities, the more likely offenders who need to be incarcerated will be in prison. By ensuring adequate jail contract housing, the State will be better able to prioritize space for chronic and violent offenders. The Analyst has not recommended a funding decrease in this budget item. This will maintain space in a system that does not need space at the present time, but may sometime in the future.

2.6 Sale of the Iron County Facility

The State of Utah owns half of the facility at Iron County. A sale of the State's portion had been in negotiation up until January 2002. It does not appear that a sale will take place in the foreseeable future. The Analyst recommends continued funding for this facility until other arrangements can be made. A reduction of funding is not possible due to the contract in place and the bond requirements on the facility. The State houses approximately 85 inmates at the facility at any given time. Having the space available helps to maintain prison populations at other facilities at acceptable levels.

2.7 CUCF New Wing Funding

The Department requested funding to open the 288-bed unit at the Gunnison prison. When Corrections initially asked for Central Utah Correctional Facility funding, the Legislature did not provide full-year funding. In addition, as part of the Governor's holdbacks in FY'02 funding, Corrections offered some of the CUCF funding as part of their holdback amount. The Analyst recommends that the reduction of \$2.9 million be a one-time reduction in case of changing prison populations for the future.

2.8 800 MHZ

Corrections is in the process of converting from its current overcrowded radio communication system to a more reliable and modern one using 800 MHz radios. Law enforcement across the state will be converting to this new system. Legislation requiring the conversion was passed three years ago. Funding has been added to the base budget to continue this project.

2.9 Jail Reimbursement

Corrections is required by statute to make a request for reimbursement to county jails for felons sentenced to jail as a condition of probation. This request represents 100% of the estimated total jail reimbursement need for FY 2003. The estimated billings for FY'03 total \$12,165,998. The total FY'02 jail reimbursement budget is \$7,500,000. In FY'00 jail reimbursement was funded at \$7,428,200. In FY'01 funding was at \$7,258,000, and \$7,760,600 in FY'02. The FY 2003 recommendation is a reduction of \$260,600 or 3.4 percent. The Department as a whole experienced a 5.6 percent reduction in FY 2002 without any reduction to local governments. The Department's FY 2003 reduction is 4.5 percent from the FY 2002 Appropriated.

2.10 Intent Language

The Analyst recommends the following intent language for FY 2003:

- 1. It is the intent of the Legislature that each of the Department of Corrections line items be granted nonlapsing status.*

2. *It is the intent of the Legislature that the Department of Corrections be granted the authority to transfer up to \$500,000 in nonlapsing funds from the Divisions of Adult Probation and Parole and Institutional Operations for use by Correctional Industries. The funding can only be used to support offender work programs that teach inmates useful skills or provide the State with an important service.*

Both of these statements are a continuation of intent language from FY 2002.

**3.1 Administration
Recommendation**

Details of programs and budgets will be discussed in the individual programs that follow.

	Analyst FY 2003 Base	Analyst FY 2003 Changes	Analyst FY 2003 Total
Financing			
General Fund	8,545,800	4,771,900	13,317,700
Dedicated Credits Revenue	52,900		52,900
Transfers - Commission on Criminal and	99,800		99,800
Total	\$8,698,500	\$4,771,900	\$13,470,400
Programs			
Executive Director	1,914,700	900	1,915,600
Administrative Services	6,034,500	4,165,100	10,199,600
Training	749,300	605,900	1,355,200
Total	\$8,698,500	\$4,771,900	\$13,470,400
FTE/Other			
Total FTE	176	11	187
Vehicles	34	0	34

Purpose

To provide a more detailed overview of the budgets of the Department Administration, the administrative programs are separately represented in the budget presentation. The aggregate budgets of:

- ▶ The Executive Director’s Office,
- ▶ Administrative Services functions,
- ▶ Training, and
- ▶ The Corrections Advisory Council are represented in this line item.

Executive Director’s Office

Recommendation The Analyst recommends a continuation budget for this program.

	2001	2002	2003	Est/Analyst
	Actual	Estimated	Analyst	Difference
Financing				
General Fund	1,465,200	1,442,500	1,915,200	472,700
Federal Funds	1,000			
Dedicated Credits Revenue	700	400	400	
Transfers - Commission on Crimir	7,400			
Beginning Nonlapsing	29,300	180,900		(180,900)
Closing Nonlapsing	129,700			
Total	\$1,633,300	\$1,623,800	\$1,915,600	\$291,800
Expenditures				
Personal Services	1,392,100	1,286,400	1,778,400	492,000
In-State Travel	10,900	7,500	7,500	
Out of State Travel	8,400			
Current Expense	116,500	90,200	71,900	(18,300)
DP Current Expense	105,400	58,800	57,800	(1,000)
Other Charges/Pass Thru		180,900		(180,900)
Total	\$1,633,300	\$1,623,800	\$1,915,600	\$291,800
FTE/Other				
Total FTE	28	16	23	7
Vehicles	22	22	22	

Purpose

The Executive Director of Corrections has direct administrative responsibility for the entire Department. The Director is the Department spokesperson and representative on The Commission for Criminal and Juvenile Justice and interfaces with areas such as the Board of Pardons, Courts, Legislature, etc. As chief executive, he provides the direction for the Department as a whole and establishes major policies and priorities to be implemented by the Department.

Added to the Executive Office is Program Services. Under the direction of an Assistant to the Executive Director, all programming within the Department of Corrections is coordinated. A department-wide director of substance abuse programming, and a department-wide director of sex offender, mentally ill, and MRDD programming work with the assistant director of programming services to ensure continuity of programming in these critical areas plus education, training, and post release job placement throughout the Department. These changes to the organization were made without adding staff (FTE’s) to the department.

The Executive Director is assisted by The Corrections Advisory Council, which is appointed by the Governor.

Internal Auditing

Since the inception of the Bureau of Internal Audit in late 1983, numerous internal audits and other projects have been conducted to assist Department executives and managers in decision-making. Internal auditors perform systematic, objective appraisals of the diverse operations and controls within the Department.

In compliance with Utah Code Annotated 67-13-25, requiring audits of all correctional programs every three years, and Utah Code Annotated 63-91-101, the Utah Internal Audit Act, internal auditors determine whether:

“Financial and operating information is accurate and reliable; risks to the organization are identified and minimized; external laws, regulations and acceptable internal policies and procedures are followed; standards adopted by the organization are met; resources are used efficiently and economically; and legislative and executive mandates, and the organization's objectives are effectively achieved.”

These determinations are made for the purpose of assisting members of the organization in the effective discharge of their responsibility.

**Law Enforcement
Bureau**

The Law Enforcement Bureau provides services in the areas of:

Criminal conduct by offenders, employees and others
Non-criminal employee misconduct, and
Employee background investigations

Office of Professional Services is responsible for Government Records Management Act (GRAMA) requests and obtaining contract services.

The Planning and Research Bureau provides the data and planning analysis of statistical data required for Department wide policy, planning, and programming decisions.

3.2 Administrative Services

Recommendation The Analyst recommends a budget more accurately reflecting personnel and costs. The recommendation is for \$10,472,700. The increase in FTE is from shifting resources and more accurate reporting of information.

	2001	2002	2003	Est/Analyst
Financing	Actual	Estimated	Analyst	Difference
General Fund	6,235,000	6,229,500	10,047,300	3,817,800
General Fund, One-time		(163,600)		163,600
Federal Funds	136,900			
Dedicated Credits Revenue	25,500	51,800	52,500	700
Transfers		51,600		(51,600)
Transfers - Commission on Crimi	567,400	99,500	99,800	300
Beginning Nonlapsing	50,000			
Closing Nonlapsing	(357,300)			
Total	\$6,657,500	\$6,268,800	\$10,199,600	\$3,930,800
Expenditures				
Personal Services	4,563,400	5,072,700	7,193,200	2,120,500
In-State Travel	20,900	14,500	135,600	121,100
Out of State Travel	19,100	(1,000)	65,000	66,000
Current Expense	1,154,200	961,100	2,471,300	1,510,200
DP Current Expense	956,900	221,500	334,500	113,000
Other Charges/Pass Thru	(57,000)			
Total	\$6,657,500	\$6,268,800	\$10,199,600	\$3,930,800
FTE/Other				
Total FTE	78	88	145	57
Vehicles	10	10	10	

Purpose Administrative Services is responsible for the Department facilities' construction, planning and research, contracts and records, professional standards and ethics, Community Relations, and training (shown by the Analyst as a separate budget).

Finance The Financial Service Bureau processes more than 300,000 documents in a year. These include: Department payroll (for over 2,300 FTE) and leave accounting, expenditure and revenue accounting, purchasing coordination, and annual budget documents preparation.

Human Resource Management The Bureau of Human Resource Mgt supports UDC's mission by administering human resource management functions including: Recruitment/Selection, Classification, Employee Development, EEO, Employee Relations and Compensation programs. Major annual responsibilities include: processing of more than 200 recruitments (including continuous recruitment for jobs such as CO), 175 classification position audits, participation in numerous job recruitment fairs, handling of more than 1300 employee benefits enrollment and retirements.

Facilities Management	Due to the present rate of growth of the Corrections system and demand for the very specialized facilities used for confinement of offenders, the Division has a Facilities and Construction Bureau. This bureau coordinates with DFCM and other technical input and review for all related projects and construction.
Records Bureau	The Records Bureau is responsible for Department Total Quality Management (TQM) programs and both internal and external records systems and issues coordination.
Information Technology Bureau	<p>The Information Technology Bureau handles the department's hardware and software needs. The Department of Corrections is becoming increasingly reliant on information technology to fulfill its mission. It has undertaken an aggressive initiative to overhaul all aspects of its record system and to automate routine procedures.</p> <p>The Department of Corrections Administration Division has implemented a department-wide management information system that streamlines processing of inmates from pre-sentence investigation through parole, and will directly interface with Courts, Public Safety, and other primary stakeholders. The Department has successfully transitioned from its non-Y2K-compliant OBSCIS system to O-Track, with O-Track replicating and enhancing functionality found in the old system.</p>
Recommendation	The Administration has asked for additional funding and staff for the Bureau of Information Technology. The Analyst supports this request if funds are available.

3.3 Training

Recommendation

The Analyst recommends an increased budget for FY 2003 of \$1,355,200. This is a shift of resources and FTE from other program areas consolidating training resources for more efficient operations.

	2001	2002	2003	Est/Analyst
	Actual	Estimated	Analyst	Difference
Financing				
General Fund	743,000	741,600	1,355,200	613,600
Transfers		15,300		(15,300)
Closing Nonlapsing	46,700			
Total	<u>\$789,700</u>	<u>\$756,900</u>	<u>\$1,355,200</u>	<u>\$598,300</u>
Expenditures				
Personal Services	483,100	500,400	1,110,900	610,500
In-State Travel	29,800	13,000	13,000	
Out of State Travel	900			
Current Expense	252,500	224,000	211,800	(12,200)
DP Current Expense	23,400	19,500	19,500	
Total	<u>\$789,700</u>	<u>\$756,900</u>	<u>\$1,355,200</u>	<u>\$598,300</u>
FTE/Other				
Total FTE	9	9	20	11
Vehicles	2	2	2	

Purpose

Centered on the Fred House Academy facility in Draper, the corrections training unit provides:

- ▶ Preservice academy program
 - 15 academies were conducted
 - 416 officers received pre-service training
 - 131 of these were Department employees
- ▶ In-service classes
 - 1,216 hours were offered
 - 2,788 staff trained
 - 282 non-staff trained
- ▶ The Conversion Academy - trains correctional officers to operate as police officers (the equivalent of POST certification).
- ▶ Basic supervision courses
 - An Advanced Supervisor course
- ▶ Special courses:
 - Examples are: Blood-borne Pathogens, Government Records Management Act (GRAMA), Americans with Disabilities Act, etc.

3.4 Adult Probation and Parole Division

Adult Probation and Parole Division includes:

- ▶ Division Administration,
- ▶ Adult Probation and Parole, and
- ▶ Community Correctional Centers.

With approximately 24 percent of the FTE resources of the Department the Division oversees more than 72 percent of those under Department supervision.

	Analyst FY 2003 Base	Analyst FY 2003 Changes	Analyst FY 2003 Total
Financing			
General Fund	35,839,300	523,200	36,362,500
Dedicated Credits Revenue	2,568,100		2,568,100
GFR - Tobacco Settlement	81,700		81,700
Transfers - Commission on Criminal and	12,100		12,100
Total	\$38,501,200	\$523,200	\$39,024,400
Programs			
Administration	1,227,900	547,300	1,775,200
Adult Probation and Parole	27,764,900	(24,100)	27,740,800
Community Corrections Centers	9,508,400		9,508,400
Total	\$38,501,200	\$523,200	\$39,024,400
FTE/Other			
Total FTE	586		586
Vehicles	161	0	161

Purpose

Adult Probation and Parole was created as a separate entity within the Department in 1983 and fulfills the requirements of the corrections’ statute for presentence investigations and community supervision. The Adult Probation and Parole program is responsible for: 1) Pre-sentence Investigations for the Courts, 2) Adult Probation, Adult Parole, and 3) Community Correction Centers (half-way houses).

Increase Public Safety by Reducing Recidivism

One of the truisms of corrections is that almost everyone that goes in, also comes out of prison and back to our communities. Adult Probation and Parole’s job is to see that they don’t go back to their old problems, but, on to productive lives. Changing lives is better for everyone involved and cheaper than operating ever-increasing prisons.

Approaches to probation and parole supervision vary from a strict law enforcement model where parolees are on their own and sent back to prison at the slightest infraction, to the human resources model where authorities work with the parolees to change their lives and tolerate some infractions. In previous years Utah has mostly followed the law enforcement model, but the recent administration has been moving towards a balanced approach.

Adult Probation and Parole has significantly increased its efforts to have a more balanced approach to supervision. More emphasis has been placed on the use of intervention strategies for violations of supervision. Each regional office and center has modified, or added to, existing programs to address offender recidivism, especially in the area of substance abuse, which accounts for 80 percent of the violations. These efforts include increased urinalysis, increased electronic monitoring, increased services through the day reporting centers, increased alcohol and drug services. The focus has been shifted to increased offender contact during the first critical months of supervision. Adult Probation and Parole is working to develop a comprehensive approach to offender management through a coordinated effort to involve local law enforcement, religious, civic and social service agencies in supervision. increased attention is being given to including the offender's family in the supervision plan.

3.5 Adult Probation and Parole Division Administration

Recommendation The Analyst is recommending a significantly increased budget that consolidates administrative functions for the Division of Adult Probation and Parole.

	2001	2002	2003	Est/Analyst
	Actual	Estimated	Analyst	Difference
Financing				
General Fund	745,800	1,247,000	1,759,900	512,900
General Fund, One-time		(957,800)		957,800
Dedicated Credits Revenue		15,300	15,300	
Transfers		43,800		(43,800)
Beginning Nonlapsing	194,400			
Closing Nonlapsing	19,300			
Total	\$959,500	\$348,300	\$1,775,200	\$1,426,900
Expenditures				
Personal Services	629,100	934,200	1,536,000	601,800
In-State Travel	4,300	3,800	11,800	8,000
Out of State Travel	3,300			
Current Expense	252,400	337,000	179,400	(157,600)
DP Current Expense	43,100	(926,700)	25,500	952,200
DP Capital Outlay			22,500	22,500
Other Charges/Pass Thru	27,300			
Total	\$959,500	\$348,300	\$1,775,200	\$1,426,900
FTE/Other				
Total FTE	10	16	16	
Vehicles	3	3	3	

Purpose Adult Probation and Parole consists of seven geographical regions, 16 Probation and Parole field offices and four community correctional center. Contracted services private providers in the areas of: mental health, sex offender treatment, assessment and psychotherapy, alcohol and drug addiction, and electronic monitoring.

Pre-sentence Reports adding workload Probation and Parole provides the courts with pre-sentence reports prior to sentencing. These reports, covering the offender’s family, employment, education, substance abuse, criminal history, medical and psychological situation, etc. are accompanied with a recommendation for the court’s action. At the time of sentencing the court may order a 90-day diagnostic evaluation. After sentencing, offenders may be under probation supervision or, following a term in prison, under parole supervision.

Following actual sentencing, this report becomes the basis of an offender’s file for both Institutional Operations and Probation and Parole officers. The demand for court ordered pre-sentence reports is increasing. To accommodate the increasing workload and to keep expensive and highly trained officers in the field, the Department is contracting with qualified outside officers for pre-sentence reports on a per report basis. The Analyst applauds this cost effective alternative.

Supervision Fee

Beginning September 1, 1993 probationers and parolees began paying a \$30.00 per month supervision fee. The revenue from this source goes into a fund for offender supervision programs. The history of these revenues is shown below:

	Rate	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001
Parole/Prob Fees	\$30.00	\$440,863	\$628,177	\$1,017,097	\$1,252,586	\$1,439,651	\$1,615,527
Home Confinement Fees	10.00	3,755	9,793	(1,830)	410	175	
Total		\$444,618	\$637,970	\$1,015,267	\$1,252,996	\$1,439,826	\$1,615,527

Recommendation

The Analyst recommends that supervision fees be monitored so as to not become an excessive burden to the offender.

Some workload increases caused by courts

The workload increases in this division are driven by increased levels of activity in the courts and increased convictions resulting in probation and parole population growth (which impacts both the agent staff and the centers). Virtually every felony offender sentenced to jail or prison will transition through some period of probation or parole.

Vehicles

This Division operates over 100 vehicles, most of which are approved for commuter use and unmarked. The Department has conducted a major review of vehicle use and probation and parole officer assignment. Changes in internal working policies and annual reviews should keep vehicle use within acceptable limits. The Analyst recognizes the unique role that the Adult Probation and Parole officers play and generally supports the need for these uses.

3.6 Adult Probation and Parole

Recommendation The Analyst recommends a continuation budget of \$27,740,800. This reflects shifting resources within the Department.

	2001	2002	2003	Est/Analyst
	Actual	Estimated	Analyst	Difference
Financing				
General Fund	25,450,900	25,630,600	25,639,700	9,100
Dedicated Credits Revenue	1,735,200	1,929,500	2,007,300	77,800
GFR - Tobacco Settlement	81,700	81,700	81,700	
Transfers - Commission on Crimina	104,500		12,100	12,100
Pass-through	29,200			
Beginning Nonlapsing	1,439,500	960,700		(960,700)
Closing Nonlapsing	(996,100)	12,100		(12,100)
Total	\$27,844,900	\$28,614,600	\$27,740,800	(\$873,800)
Expenditures				
Personal Services	21,923,300	22,252,300	23,118,600	866,300
In-State Travel	52,900	38,100	39,300	1,200
Out of State Travel	9,700			
Current Expense	4,024,400	3,615,600	2,765,000	(850,600)
DP Current Expense	788,500	635,100	665,100	30,000
Capital Outlay	46,600			
Other Charges/Pass Thru	999,500	2,073,500	1,152,800	(920,700)
Total	\$27,844,900	\$28,614,600	\$27,740,800	(\$873,800)
FTE/Other				
Total FTE	381	416	434	18
Vehicles	139	139	139	

Staffing Shortages Historical data shows a growth rate in the caseload in Probation and Parole populations that will continue. The growth in Probation and Parole populations justify additional agents to maintain the safety levels expected by the public.

With only 185 probation and parole agents supervising over 14,500 offenders on the street the workload is approximately 78 offenders per agent. In addition to that workload, the agency prepares over 10,000 pre and post sentence investigations each year (many of which are prepared under contract). Note that Adult Probation and Parole employs additional agents who are assigned to pre-sentence investigations, day reporting centers, institutional parole office, diagnostic, etc.

Adult Probation and Parole Agents

The Department has requested funding for additional agents. This is an effort to better manage the prison population, reduce recidivism and eliminate the need to increase funding for incarceration. The annual growth has been averaging 7-10% each year, with some years seeing growth in the range of as much as 1,000 additional offenders. The Corrections' staff-to-offender ratio continues to climb each year. Public safety could be eroded when staff ratios do not keep pace with growth in offender population. Additional funding of \$668,000 would provide fifteen additional probation and parole officers along with 8 vehicles. If some amount of funding is approved for this activity, it should be noted that for every two agents hired, the Department plans to purchase a vehicle. This provides transportation for the required home visits.

Recommendation

The Analyst recommends that if additional funding becomes available that the Legislature add 15 FTE Probation and Parole Officers with vehicles at a cost of \$668,000 in General Fund.

The following charts profile the probationers and parolees under Division supervision:

Adult Corrections Statistics
“Snapshot” of Probationers, November 13, 2001

	Male	Female		Male	Female
Last Grade Comp.			Age		
1-6	87	13	Under 18	17	3
7-11	2590	801	18-19	444	73
12	2977	909	20-24	2495	532
12+	546	176	25-29	1476	442
Unknown	2079	681	30-34	1141	502
Citizenship			35-39	1023	438
U.S. Citizen	8054	2554	40-44	819	347
Non U.S. Citizen	124	9	45-49	452	169
Unknown	101	17	50-54	227	46
Race			55-59	91	14
White	6343	2106	60-64	43	10
Hispanic	793	175	65 and over	45	4
Black	322	74	Unknown	6	0
Native American	223	66	Marital Status		
Asian/Pacific Islander	202	31	Never Married	3588	678
Unknown	396	128	Married	1405	530
Degree of Crime			Separated	458	279
First Degree	128	17	Divorced	1215	606
Second Degree	1232	352	Common Law	241	63
Third Degree	4353	1509	Widowed	32	31
Compact	238	78	Unknown	1340	393
Class A Misdemeanor	2137	593			
Class B Misdemeanor	82	8			
Class C Misdemeanor	1	0			
Compact Misdemeanor	14	5			
Unknown	94	18			
Offense Type					
Murder	29	7			
Person	1133	159			
Sex/Registerable	726	33			
Sex/Non-Registerable	73	2			
Property	2367	1044			
Weapons	119	4			
Alcohol/Drugs	2778	1143			
Driving	667	106			
Other	298	62			
Unknown	89	20			

Adult Corrections Statistics
“Snapshot” of Parolees, November 14, 2001

	Male	Female		Male	Female
Last Grade Comp.			Age		
1-6	136	9	Under 18	0	0
7-11	1321	194	18-19	13	0
12	1250	168	20-24	420	42
12+	274	44	25-29	629	67
Unknown	225	23	30-34	581	100
Citizenship			35-39	541	101
U.S. Citizen	2839	431	40-44	476	83
Non U.S. Citizen	367	7	45-49	280	29
Unknown	0	0	50-54	132	11
Race			55-59	76	3
White	2184	346	60-64	25	0
Hispanic	639	46	65 and over	25	1
Black	203	26	Unknown		
Native American	95	15	Marital Status		
Asian/Pacific Islander	65	3	Never Married	1380	127
Unknown	20	2	Married	593	94
Degree of Crime			Separated	182	39
Capital	4	0	Divorced	830	143
First Degree	309	12	Common Law	149	15
Second Degree	1277	132	Widowed	15	11
Third Degree	1516	283	Unknown	57	9
Compact	80	10			
Class A Misdemeanor	5	1			
Class B Misdemeanor	0	0			
Class C Misdemeanor	0	0			
Compact Misdemeanor	0	0			
Unknown	15	0			
Offense Type					
Murder	72	10			
Person	486	31			
Sex/Registerable	457	6			
Sex/Non-Registerable	2	0			
Property	858	149			
Weapons	46	1			
Alcohol/Drugs	1071	220			
Driving	142	14			
Other	55	6			
Unknown	17	1			

Interstate Compact

Utah participates in the Probation and Parole Interstate Compact in which states transfer supervision of offenders under their jurisdiction to other states to allow offenders to live near families or work in jobs in other areas. The 2001 General Session passed legislation authorizing Utah to participate in a new national commission to oversee the probation and parole compact. This commission will be made up of administrators from each state. The commission will be established when 35 states have passed legislation authorizing their participation. At the present time, 28 states have signed on.

3.7 Community Corrections Centers

Recommendation

The organization of the Division includes Community Corrections Centers within the various regions. The Analyst chooses to show the Centers as a separate program so as to highlight the operations and related costs of these resident and non-resident facilities. The Analyst is recommending a continuation budget for the existing centers.

	2001	2002	2003	Est/Analyst
	Actual	Estimated	Analyst	Difference
Financing				
General Fund	8,680,300	8,914,800	8,962,900	48,100
Dedicated Credits Revenue	555,100	535,000	545,500	10,500
Beginning Nonlapsing	189,800			
Closing Nonlapsing	16,100			
Total	<u>\$9,441,300</u>	<u>\$9,449,800</u>	<u>\$9,508,400</u>	<u>\$58,600</u>
Expenditures				
Personal Services	6,419,200	6,945,000	6,970,600	25,600
In-State Travel	5,000			
Out of State Travel	1,400			
Current Expense	1,462,800	1,436,100	1,292,200	(143,900)
DP Current Expense	143,900	140,500	140,500	
Capital Outlay	157,900			
Other Charges/Pass Thru	1,251,100	928,200	1,105,100	176,900
Total	<u>\$9,441,300</u>	<u>\$9,449,800</u>	<u>\$9,508,400</u>	<u>\$58,600</u>
FTE/Other				
Total FTE	137	137	137	
Vehicles	19	19	19	

Purpose

The Community Corrections’ Centers facilitate the transition from prison to the community and provide residential programs for offenders on probation and parole. The first center was established more than 20 years ago, in September 1970, and closed in July 1985. Since then, additional centers have been established.

The Division operates Community Correction Centers (half-way houses) and Day Reporting Centers. There are four CCCs, three in the Salt Lake Valley and one in Ogden. CCCs require residents to have a job, pay for part of their costs, receive training and therapy, and be in residence. Day reporting centers are similar and may be co-located, but they have no residence requirement.

A cost breakdown (FY 2001 Actual) for the centers would be:

Northern (Ogden)	\$2,673,500
Bonneville	1,678,400
Fremont	1,605,400
Orange Street	1,820,800

Currently there are not enough beds for temporarily indigent probationers and parolees and there are no centers in the state south of 21st South in Salt Lake.

In previous years the subcommittee has encouraged the Department to establish a Community Corrections Center in the southern part of the state but the Department has been unable to locate such a facility to date.

Recommendation

The Analyst recommends that, subject to funding availability, the state establish Community Corrections Centers in Utah and Washington counties and consider privatizing their operation.

Performance Measures

Community Correctional Centers have evolved from the “halfway house” concept to highly structured, specialized treatment programs. While they still serve the transitioning needs of paroling offenders on a limited basis, their greater mission is to provide structured treatment for high risk offenders, i.e., sex offenders, mentally ill offenders, low functioning offenders, offenders with severe addictions, and female offenders. Additionally, the centers provide aftercare services for offenders returning to the community.

The Day Reporting Centers continue to play a critical role in the supervision of offenders. With the new offender management initiatives, they have expanded services and hours to meet the needs of offenders in violation of parole or probation conditions. They have done this with no additional funding.

3.8 Institutional Operations

Recommendation

The Division of Institutional Operations manages the inmate population of the system. It is the Division that demands the most expensive facilities and over half of all department employees while supervising approximately 5,500 inmates in three separate state facilities and under contracts in other locations.

	Analyst FY 2003 Base	Analyst FY 2003 Changes	Analyst FY 2003 Total
Financing			
General Fund	109,215,100	(3,642,000)	105,573,100
General Fund, One-time	(2,900,000)		(2,900,000)
Federal Funds	1,110,000		1,110,000
Dedicated Credits Revenue	709,000		709,000
Transfers - Commission on Criminal a	564,000		564,000
Total	<u>\$108,698,100</u>	<u>(\$3,642,000)</u>	<u>\$105,056,100</u>
Programs			
DIO Programming	5,761,900		5,761,900
DIO Administration	4,773,600	61,600	4,835,200
Draper Facility	51,828,400	(656,800)	51,171,600
Central Utah/Gunnison	20,733,800	1,010,900	21,744,700
Southern Utah/Iron County	1,593,700	259,400	1,853,100
Inmate Placement	1,613,800		1,613,800
Transition	4,574,600	(4,317,100)	257,500
Jail Contracting	15,211,200		15,211,200
Support Services	2,607,100		2,607,100
Total	<u>\$108,698,100</u>	<u>(\$3,642,000)</u>	<u>\$105,056,100</u>
FTE/Other			
Total FTE	1,282		1,282
Vehicles	94	0	94

Purpose

The Division of Institutional Operations includes the prisons and support facilities related to prison operations. Included in these programs are all services to and for inmates. This line item is broken down into the following budgeted programs:

- ▶ Division Administration
- ▶ Support Services
- ▶ Draper Operations
- ▶ Central Utah Prison (Gunnison)
- ▶ Iron County Prison (Cedar City)
- ▶ Transition Programs

There is a constant pressure to plan for inmate housing

The prisons are operating close to operational capacity and can exceed the threshold for emergency release (64-13-38 UCA) for periods short of the statutory 45 days. How to manage the growing bed demand in the light of the current “get tough on crime” trend is one of the most challenging problems facing the subcommittee. Corrections has implemented a number of programs in an attempt to alleviate pressure on prison housing. If these programs remain effective, the department anticipates that there will be a significant reduction in the demand for housing through FY’03.

Required Report on Bed Projections

The General Appropriations Act for FY 2001 (Senate Bill1, 2000 General Session, Item #27, page 9) included the following language:

“It is the intent of the Legislature that the Department of Corrections report their projected bed needs. The report should include: the projected number of beds needed in state-owned facilities, contracted jails, and private correctional facilities. The report shall be provided to the Legislative Law Enforcement and Criminal Justice and Joint Executive Appropriations interim committees in September.”

These reports were provided to the interim committees as indicated.

The department is projecting minimal growth over the next 18 months. All housing options over this period of time would be addressed by utilizing existing housing.

Inmate Profile

The following chart shows the census data for inmates.

**Adult Corrections Statistics
“Snapshot” of Inmates, November 14, 2001**

	Male	Female		Male	Female
Last Grade Comp.			Age		
1-6	97	3	Under 18	10	0
7-11	1999	157	18-19	72	3
12	1855	106	20-24	895	48
12+	375	12	25-29	854	67
Unknown	681	37	30-34	820	57
Citizenship			35-39	771	69
U.S. Citizen	4736	310	40-44	691	35
Non U.S. Citizen	334	5	45-49	408	20
Unknown	63	0	50-54	250	8
Race			55-59	100	4
White	3346	227	60-64	75	1
Hispanic	862	50	65 and over	56	2
Black	424	20	Unknown	5	1
Native American	192	13	Marital Status		
Asian/Pacific Islander	135	4	Never Married	2401	101
Unknown	49	1	Married	873	76
Degree of Crime			Separated	241	35
Capital	72	1	Divorced	1175	84
First Degree	1264	23	Common Law	158	8
Second Degree	1924	107	Widowed	58	3
Third Degree	1685	179	Unknown	101	8
Compact	44	2			
Class A Misdemeanor	5	1			
Class B Misdemeanor	1	0			
Class C Misdemeanor	0	0			
Compact Misdemeanor	0	0			
Unknown	12	2			
Offense Type					
Murder	509	24			
Person	1070	32			
Sex/Registerable	1283	12			
Sex/Non-Registerable	3	0			
Property	956	93			
Weapons	47	1			
Alcohol/Drugs	934	145			
Driving	149	6			
Other	44	0			
Unknown	12	2			

The Analyst notes that the inmate profile reflected in the snapshot data shows:

- ▶ 46 percent of the female inmates are incarcerated due to alcohol and drug convictions
- ▶ 10 inmates are under 18 years of age and 85 are under 20
- ▶ approximately 7 percent of the inmates have more than a 12th grade education, but
- ▶ over 42 percent did not complete High School (12th grade)

Education Programs

From inmate data it is apparent that almost half of the population have not finished high school and many have not finished sixth grade. The State of Utah provides educational services to inmates incarcerated in the State's prison system. Higher Education Institutions, Applied Technology Centers and Applied Technology Center Service Regions, and local school districts participate in providing this education and training. Education funds are generally provided through the education budgets and delivered by local school districts or institutions of higher education.

Statutory Provisions

The current statutory provisions governing corrections education enacted by the Legislature during the 1992 Legislative Session under House Bill 28 are as follows:

(53A-1-403.5.)

The State Board of Education and the State Board of Regents, subject to legislative appropriation, are responsible for the education of persons in the custody of the Department of Corrections. In order to fulfill this responsibility, the boards shall, where feasible, contract with appropriate private or public agencies to provide educational and related administrative services.

(a) As its corrections education program, the boards shall develop and implement a recidivism reduction plan, including the following components:

- (i) inmate assessment;
- (ii) cognitive problem-solving skills;
- (iii) basic literacy skills;
- (iv) career skills;
- (v) job placement;
- (vi) post release tracking and support;
- (vii) research and evaluation;
- (viii) family involvement and support; and
- (ix) multi agency collaboration.

The plan shall be developed and implemented through the State Office of Education and the Board of Regents office in collaboration with the following entities:

- (i) local boards of education;
- (ii) Department of Corrections;
- (iii) Department of Workforce Services;

- (iv) Department of Human Services;
- (v) Board of Pardons and Parole;
- (vi) State Office of Rehabilitation; and
- (vii) the Governor's office.

The Boards shall make annual reports to the Legislature through the Education Interim Committee on the effectiveness of the recidivism reduction plan.

**Corrections
Education Program
Description**

Under House Bill 28, passed in 1992, the Recidivism Reduction Program (also known as Project Horizon) was established as the State's correction education program (see section (3)(a) above) and began in FY 1993. The program is a nine-component plan and based on a highly researched program initiated in Canada and now utilized throughout the world. In addition to literacy and job skills, the plan is designed to provide important life skills training plus interagency support and family involvement to increase the likelihood of a successful, law-abiding return to the free world for the offender.

**Performance
Measures**

In January 1997, a report was released analyzing the effects of the Recidivism Reduction Program or Project Horizon on recidivism rates of participants. Subsequent studies released in November 2000 tend to parallel these results. In addition they suggest that the cost of crime (to the public) is on the order of \$700 million per year.

Results from the education study are based on an analysis of data provided by the Department of Corrections covering all parolees since the program's inception. Major findings in this report are:

- ▶ Project Horizon participant recidivism rates are significantly lower than non-Horizon rates.
- ▶ Anticipated long-term recidivism rates for non-Horizon participants range from 71 percent to 90 percent. Corresponding recidivism rates for Horizon participants range from 61 percent to 72 percent. The estimate for non-Horizon participants is 82 percent, for Horizon participants it is 65 percent, which represents a 20 percent reduction in recidivism. These values are in accord with previous national and local studies.
- ▶ Since the cost-of-crime are so significant, even slight reductions in recidivism can bring about large economic benefits. The project has a quick pay back and potentially can save the State of Utah millions of dollars in direct costs.
- ▶ The benefits of recidivism reduction and the associated decrease in crime are associated with large intangible benefits as well as reduced government costs annually.

- ▶ Because of the costs of crime and recidivism are large relative to education costs, even minimal reductions in recidivism have potential for creditable savings.

**Legislative
Appropriation
Overview**

As stipulated under section (3)(c) of the law, the Legislature annually appropriates line item funding to the State Office of Education for basic educational services. The State Office of Education, in turn, contracts with the Jordan, South Sanpete, and Iron School Districts to provide basic educational services to State prison inmates at the Draper, Gunnison, and Iron County/Utah State Correctional Facilities respectively. Funding for post secondary educational services is provided by the Legislature to the State Board of Regents and from client tuition fees.

Sex Offenders

The growth in the sex offenders population over the last 15 years has had significant impact on the Corrections' system, particularly prison operations. Sex Offenders now represent approximately 24 percent of the total prison population. Specialized treatment and extended terms of confinement make these very expensive prisoners.

**Programming
Works**

A Study of Twelve Measures of Recidivism was done for the Department of Corrections by expert consultants has shown sex offender treatment to be effective. A summary of that study is:

Four hundred and seven adult sex offenders in a community residential treatment facility were divided into control groups as follows: treatment completers, passive failure to complete, and treatment failures. Twelve measures of recidivism were collected on each offender through the National Crime Information Center and through the Utah Bureau of Criminal Identification.

The recidivism measures used are as follows: probation revoked, parole revoked, warrant issued non-sex offense, warrant issued sex offense, re-arrested misdemeanor non-sex offense, re-arrested for misdemeanor sex offense, convicted misdemeanor non-sex offense, convicted misdemeanor sex offense, re-arrested felony non-sex offense, re-arrested for felony sex offense, convicted felony non-sex offense, and convicted for a felony sex offense.

**More treatment
results in lower
recidivism**

The study data also shows that for all categories of recidivism, the more treatment that has been completed, the less there is recidivism.

For rule violations (failure to report, drinking, curfew, etc.), there was:

67 percent recidivism for the treatment failures,
38 percent for the passive failures, and
21 percent for the treatment completers.

For non-sex offenses the recidivism rate was:

32 percent for treatment failures,
20 percent for passive failures, and
16 percent for the treatment completers.

For sex offenses the recidivism rate was:

28 percent for treatment failures,
19 percent for passive failures, and
13 percent for the treatment completers.

Across all definitions of recidivism, the result was similar.

The treatment failures	re-offended at a 71 percent rate.
The passive failures	re-offended at a 48 percent rate.
The treatment completers	re-offended at a 31 percent rate.

These results carry several important conclusions. Firstly, it appears quite clearly that the treatment as applied in this context was effective at reducing sex offender recidivism. This is a significant finding when one considers the ongoing debate on the effectiveness of sex offender treatment. Secondly, the recidivism rates shown here, particularly for sex-offenses, are not as high as expected. This finding suggests that perhaps more sex offenders can effectively be treated in community settings, which could lift some of the financial burden from struggling correctional systems.

**Inmate Labor can
reduce Construction
Costs**

The 1997 Legislature passed intent language designed to encourage the use of inmate labor on new construction. As a result of this language a committee was formed with DFCM and the Department of Corrections to evaluate inmate use in prison construction. The draft proposal from this committee is as follows:

- A. Utah Correctional Industries expand its existing inmate construction program to include:
 - 1. On-site construction crews. This would begin on a small scale with the construction of the remodel of the Forensics Facility. Working with DFCM certain aspects of this building should be set aside for UCI. These projects could include landscaping, painting, some exterior concrete work such as sidewalks, rough electrical (conduit and fixtures, no wire hookup), etc. The bid specifications would go out asking for a bid for the entire project, and a second bid excluding the selected projects. This would provide a means to measure actual cost savings;

2. Development of a metal fabrication plant for appropriate fixtures and furnishings for prison construction. Actual approval for this operation will require thorough cost analysis, UCI Advisory Board Approval, Public Hearing, etc;
 3. Development of a pre-cast concrete panel operation. Actual approval for this operation will require thorough cost analysis, UCI Advisory Board Approval, Public Hearing, etc; and
- B. In concert with one or more educational entities an apprentice program will be developed for inmates participating in UCI construction projects.

The amount of savings using inmate labor cannot be quantified at this time. However, the committee has roughly estimated that \$2.9 million to \$5.2 million might be saved on future projects. Future project estimates will identify the inmate labor components as directed by the intent language.

Recommendation

The DFCM and Department of Corrections joint effort to increase the use of inmate labor should be encouraged and an annual report on progress should be made.

3.9 DIO Programming

Inmate Programming

In accordance with Legislative intent from the 1999 General Session the following inmate programming data for FY 2001 is provided for the subcommittee review. The Analyst notes that these figures do not include housing, security, and staffing. *Note—these are the 2001 figures for programming.*

Program Name	Program FTE	Inmate Jobs Payroll	Programming
Direct Costs:			
Mental Health/Sex Offender Treatment	94.82		5,571,000
Employment of inmates		1,413,600	
Facility Programming	68.00		2,315,100
SSD	12.00		654,500
Urine Lab	2.50		209,500
Horizon Program	14.00		698,500
Chaplain/Volunteers	3.65		214,200
Forensic - State Hospital			190,000
Inmate Placement	16.00		366,300
DHS Substance Abuse Grant	9.00		567,200
Greenhouse Program	1.00		62,800
Library Services	3.00		163,400
Recidivism Model			293,400
Promontory Pre-Release	15.50		3,927,200
Diagnostic			200
Commissary	2.33		
Receiving & Orientation			271,440
Interdiction Grant	2.00		92,100
Therapeutic Com. Grant	3.50		249,500
Sex Offender Program	13.00		695,200
Ascend Program Grant			65,000
Con-Quest Grant	8.00		365,000
DIRECT COSTS	268.00	1,413,600	16,971,640
Institutional Operations			
Motor Pool - Staff costs related to training inmates	2.00	106,000	
Food Services - Staff costs related to training inmates	23.00	1,130,600	
Maintenance - Staff costs related to training inmates	35.00	2,052,000	
Laundry Services - Staff costs related to training inmates	3.00	168,900	
INDIRECT COSTS	63.00	3,457,500	
TOTAL DIO COSTS:	331.00	4,871,100	16,971,640
Education costs from Board of Education			2,661,600
Education costs from Board of Regents			325,000
Exodus from Board of Education			
Volunteer Hours of 98,781			777,000
Donated Equipment – approximately (includes computers, software, bookcases, etc)			43,250
OUTSIDE COSTS:			3,806,850

The outside costs are programming costs from other agencies and volunteers.

Treatment of Addicts

National data suggests that addicts that undergo treatment are 40 percent less likely to be arrested for violent or non-violent crimes. Addicts that receive appropriate treatment in prison are 50 percent to 60 percent less likely to be arrested again during the 18 months following their release. (*Join Together*, Fall 1999, Boston University School of Public Health).

Recommendation

The Analyst recommends a budget of \$5,761,900 for this program. Funding and FTE have been transferred from other Programs and Line Items within the Department consolidating these activities.

	2001	2002	2003	Est/Analyst
	Actual	Estimated	Analyst	Difference
Financing				
General Fund			5,197,900	5,197,900
Transfers - Commission on Crimin			564,000	564,000
Total	<u>\$0</u>	<u>\$0</u>	<u>\$5,761,900</u>	<u>\$5,761,900</u>
Expenditures				
Personal Services			4,986,700	4,986,700
In-State Travel			3,800	3,800
Current Expense			502,000	502,000
DP Capital Outlay			77,400	77,400
Other Charges/Pass Thru			192,000	192,000
Total	<u>\$0</u>	<u>\$0</u>	<u>\$5,761,900</u>	<u>\$5,761,900</u>
FTE/Other				
Total FTE			99	99

Consolidation

In June of 2001, a reorganization of the Division of Institutional Operation’s Clinical and Programming Services was implemented. Programming Services has been expanded from their traditional scope of responsibilities of education, volunteer oversite/recruitment, and life skills, to include substance abuse and sex offender treatment services. These areas have a common focus in providing opportunities for offenders to better understand the events leading to their incarceration and to thereby make the necessary changes through participation in therapies and activities. The approach therefore is to provide a common philosophy throughout the Department of Corrections in the manner by which offenders are identified as to treatment needs, and the systematic methods treatment is offered.

3.10 Draper Operations

Recommendation

The Analyst recommends a continuation budget for this program. It should be noted that the Division of Institutional Operations and the Division-wide Administrative Services are shown as separate budget programs.

	2001	2002	2003	Est/Analyst
	Actual	Estimated	Analyst	Difference
Financing				
General Fund	52,837,900	56,772,500	50,810,500	(5,962,000)
Dedicated Credits Revenue	245,500	360,000	361,100	1,100
Transfers - Commission on Crimiit	354,300			
Closing Nonlapsing	869,000			
Total	\$54,306,700	\$57,132,500	\$51,171,600	(\$5,960,900)
Expenditures				
Personal Services	42,440,100	44,034,600	40,113,900	(3,920,700)
In-State Travel	8,700	4,100	4,100	
Out of State Travel	9,100	900	900	
Current Expense	11,122,900	12,287,600	10,481,300	(1,806,300)
DP Current Expense	538,600	613,300	571,400	(41,900)
DP Capital Outlay	7,500			
Capital Outlay	38,400			
Other Charges/Pass Thru	367,800	192,000		(192,000)
Cost of Goods Sold	(226,400)			
Total	\$54,306,700	\$57,132,500	\$51,171,600	(\$5,960,900)
FTE/Other				
Total FTE	891	891	818	(74)
Vehicles	55	55	55	

Co-ed Prison

The relocation of the women inmates to the Timpanogos Facility (formerly all male) has turned that facility into a co-ed prison. Such facilities typically require additional attention to movement, accountability of inmates and staff training. How these special programs for women fit into a co-ed facility with the attendant additional restrictions, are a management question.

Forensic Facility

The facility originally built as a woman’s prison has been converted to a forensic facility. The women previously housed in this facility have been moved into a formerly all male facility, which will now be co-ed (see above discussion).

Performance Measures

The Analyst is aware of many programs at the Draper facility that benefit the community and special public.

Perhaps the most significant of these is the Reading for the Blind program. The Analyst compliments the inmates and staff for their extra efforts in this laudable enterprise.

Similarly the Analyst recognizes the extra effort that Draper staff have put in to make the “B” North facility an effective program for special needs inmates.

The Analyst notes that vegetables grown onsite are now being used to enrich the prison culinary offerings as well as supply community charitable activities.

Draper Facilities - Detail

In that the Draper facility is the oldest and largest prison in the system, and Draper holds the most serious patients (both in terms of health as well as confinement categories - to include those under sentence of death) the Analyst is providing a breakdown of the housing only costs of the facilities within the Draper Complex.

Draper Facilities		FY 2002		
	Facilities or units	Maximum Beds	Inmates 11/14/01	Funding
Southpoint				
Oquirrh	5	828	815	\$5,195,800
Wasatch	7	745	672	\$4,890,600
Uintah	5	812	766	\$6,063,700
SSD	1	129	125	\$682,000
Subtotal	18	2514	2378	\$16,832,100
Northpoint				
Timpanogos	4	573	511	\$3,672,500
VOITIS Dorms	1	270	263	\$2,282,000
Olympus	1	168	132	\$1,717,000
Subtotal	6	1011	906	\$7,661,500

3.11 Central Utah Correctional Facility

Recommendation Central Utah Correctional Facility at Gunnison
 The Analyst recommends a continuation budget for this program.

	2001	2002	2003	Est/Analyst
	Actual	Estimated	Analyst	Difference
Financing				
General Fund	20,519,700	24,322,000	24,504,900	182,900
General Fund, One-time		(2,900,000)	(2,900,000)	
Dedicated Credits Revenue	74,000	139,600	139,800	200
Transfers - Commission on Criminal	144,500	130,000		(130,000)
Closing Nonlapsing	344,100			
Total	<u>\$21,082,300</u>	<u>\$21,691,600</u>	<u>\$21,744,700</u>	<u>\$53,100</u>
Expenditures				
Personal Services	17,083,600	17,029,800	15,333,000	(1,696,800)
In-State Travel	17,900	17,300	14,900	(2,400)
Out of State Travel	3,200			
Current Expense	3,750,600	1,399,700	1,124,400	(275,300)
DP Current Expense	252,500	255,400	245,200	(10,200)
Capital Outlay	(10,900)			
Other Charges/Pass Thru	67,800	2,989,400	5,027,200	2,037,800
Cost of Goods Sold	(82,400)			
Total	<u>\$21,082,300</u>	<u>\$21,691,600</u>	<u>\$21,744,700</u>	<u>\$53,100</u>
FTE/Other				
Total FTE	319	319	286	(33)
Vehicles	33	33	33	

Purpose The Gunnison facility began operations with inmates in September 1990. The core facility is designed to accommodate additional buildings up to an expansion capacity of 2,000 beds (roughly the size of the Draper Facility).

New Gunnison Unit A new 288-bed unit was completed at the Central Utah Correctional Facility more than a year ago. Funding to operate the facility for a full year was received in the FY 2002 budget. However, funding to continue to operate the county jail contracts at the FY2001 level was not included in the budget. The decision was made by the Department to use \$2,100,000 of the \$5 million for the 288-bed facility to maintain jail contracting at the FY 2001 levels. The remaining \$2,900,000 was included in the Department’s required budget reductions.

The facility was opened in September, 2001, by transferring inmates and staff from a 192-bed unit, which was then closed. This move provided the state with 96 additional beds at a relatively small cost which was absorbed in existing budgets.

3.12 Iron County

Recommendation

The Analyst is recommending a continuation budget for this facility.

	2001	2002	2003	Est/Analyst
	Actual	Estimated	Analyst	Difference
Financing				
General Fund	1,452,900	1,774,200	1,717,600	(56,600)
Dedicated Credits Revenue	130,200	135,400	135,500	100
Closing Nonlapsing	171,800			
Total	\$1,754,900	\$1,909,600	\$1,853,100	(\$56,500)
Expenditures				
Personal Services	307,600	322,800	311,000	(11,800)
In-State Travel	1,500	3,400	3,400	
Out of State Travel		1,542,700		(1,542,700)
Current Expense	1,396,500	40,700	1,528,000	1,487,300
DP Current Expense	49,300		10,700	10,700
Total	\$1,754,900	\$1,909,600	\$1,853,100	(\$56,500)
FTE/Other				
Total FTE	5	5	5	
Vehicles	3	3	3	

Purpose

The Iron County Resource Center is a jointly operated county jail/satellite prison. This funding is based on a contractual obligation for the State to pay 52 percent of the costs.

The Analyst observes that although this budget includes only 7 State FTEs, it also includes funds to pay the salaries of the other employees in the facility as contractual services (under the title “current expense” in the budget). Under the existing contract, actual State employees are limited in number, and the remainder of the work force is employed by the Center. Salaries are based upon county salaries, which have been slightly lower than State salaries.

3.13 Transition Program

The Department has consolidated the programs relating to prison release and parolee violators into a new transitions budget. The Analyst has represented that budget as a continuation of previous programs under a new budget category.

	2001	2002	2003	Est/Analyst
Financing	Actual	Estimated	Analyst	Difference
General Fund	7,210,900	7,207,900	257,500	(6,950,400)
General Fund, One-time		(4,340,200)		4,340,200
Dedicated Credits Revenue	67,000	71,900		(71,900)
Closing Nonlapsing	(1,623,800)			
Total	\$5,654,100	\$2,939,600	\$257,500	(\$2,682,100)
Expenditures				
Personal Services	855,600	2,461,800		(2,461,800)
In-State Travel	4,000	1,500		(1,500)
Out of State Travel	3,300			
Current Expense	4,750,800	(3,269,600)	257,500	3,527,100
DP Current Expense	40,400	38,200		(38,200)
Other Charges/Pass Thru		3,707,700		(3,707,700)
Total	\$5,654,100	\$2,939,600	\$257,500	(\$2,682,100)
FTE/Other				
Total FTE	49	49		(49)
Vehicles	6	6		(6)

The facility included in the transition budget is:

- ▶ DIO Diagnostic \$1,005,900

The Lone Peak Facility at Camp Williams has been closed. Those inmates and programs formally located on the National Guard Base are now in the Lone Peak facility at Draper.

The conservation/firefighters program is no longer carried as a part of Utah Correctional Industries budget. It is now shown as a part of Utah Correctional Industries.

The Diagnostic unit provides sentencing judges in-depth analysis of offenders for use in final sentencing.

Promontory

The privately operated Promontory Pre-release/Violators Center, approved by the Legislature, came on line in FY 1996. The center prepares inmates for living outside of the institution after their incarceration. They also assist parolees who have violated their conditions of parole. This facility has been closed as part of Corrections cost control measures.

3.14 Support Services

Recommendation

The Analyst is recommending a continuation budget.

	2001	2002	2003	Est/Analyst
	Actual	Estimated	Analyst	Difference
Financing				
General Fund	2,314,700	2,702,400	2,606,100	(96,300)
Dedicated Credits Revenue	100	1,000	1,000	
Closing Nonlapsing	(191,100)			
Total	<u>\$2,123,700</u>	<u>\$2,703,400</u>	<u>\$2,607,100</u>	<u>(\$96,300)</u>
Expenditures				
Personal Services	1,847,900	2,371,700	2,375,400	3,700
In-State Travel		2,000	2,000	
Out of State Travel	300			
Current Expense	249,400	302,100	202,100	(100,000)
DP Current Expense	24,800	27,600	27,600	
Other Charges/Pass Thru	1,300			
Total	<u>\$2,123,700</u>	<u>\$2,703,400</u>	<u>\$2,607,100</u>	<u>(\$96,300)</u>
FTE/Other				
Total FTE	40	44	44	

Purpose

This budget includes the Transportation Unit and some Institutional Operations Administration.

3.15 Division Administration

Recommendation The Analyst is recommending a continuation budget.

	2001	2002	2003	Est/Analyst
	Actual	Estimated	Analyst	Difference
Financing				
General Fund	2,368,600	2,843,200	3,766,600	923,400
General Fund, One-time		(1,850,500)		1,850,500
Federal Funds	189,900	2,886,200	1,000,000	(1,886,200)
Dedicated Credits Revenue	52,500	68,500	68,600	100
Transfers		99,100		(99,100)
Beginning Nonlapsing	2,148,900	985,000		(985,000)
Closing Nonlapsing	(539,600)			
Total	<u>\$4,220,300</u>	<u>\$5,031,500</u>	<u>\$4,835,200</u>	<u>(\$196,300)</u>
Expenditures				
Personal Services	832,900	624,300	1,508,600	884,300
In-State Travel	47,400	(6,000)		6,000
Out of State Travel	6,500	(3,500)		3,500
Current Expense	2,804,300	1,204,900	2,287,700	1,082,800
DP Current Expense	502,200	27,200	38,900	11,700
DP Capital Outlay	27,000			
Other Charges/Pass Thru		3,184,600	1,000,000	(2,184,600)
Total	<u>\$4,220,300</u>	<u>\$5,031,500</u>	<u>\$4,835,200</u>	<u>(\$196,300)</u>
FTE/Other				
Total FTE	14	14	14	3
Vehicles	3	3	3	

3.16 Inmate Placement

Recommendation The Analyst recommends a continuation budget.

	2001	2002	2003	Est/Analyst
	Actual	Estimated	Analyst	Difference
Financing				
General Fund	1,525,800	1,604,400	1,610,800	6,400
Dedicated Credits Revenue	5,600	3,000	3,000	
Closing Nonlapsing	(5,200)			
Total	<u>\$1,526,200</u>	<u>\$1,607,400</u>	<u>\$1,613,800</u>	<u>\$6,400</u>
Expenditures				
Personal Services	1,064,800	1,050,900	1,061,500	10,600
In-State Travel	9,800	13,200	13,200	
Out of State Travel	300			
Current Expense	433,500	513,200	509,000	(4,200)
DP Current Expense	17,800	30,100	30,100	
Total	<u>\$1,526,200</u>	<u>\$1,607,400</u>	<u>\$1,613,800</u>	<u>\$6,400</u>
FTE/Other				
Total FTE	17	17	17	

Jail Programs Management

It has been the policy of the Department for many years to place inmates in local jails under contract with the respective sheriffs. This policy reduces the number of new “beds” that the state has to construct and provides an opportunity for local jails to expand their facilities and staff while having the additional beds and staff support to some degree by the state contracts.

Contract costs for this program are included under a separate Jail Programs line item. Staffing costs for the review and contracting process requisite for the program are carried within the Institutions budget as “Placement”.

Interstate Compact

Utah also participates with other states in a compact, which provides for the placement of inmates from one state in another state’s prisons. Good management keeps the exchanges close to revenue neutral for the State. On Nov. 14, 2001, 53 Utah inmates were in other states’ prisons and 47 from other states were in Utah’s facilities. The Department has been very attentive to guarantee that Utah does not operate at an exchange deficit and wind up “housing” other states prisoners per se.

3.19 Jail Contracting

Recommendation The Analyst recommends a continuation budget for Jail Contracting.

Jail Contracting was considered more cost effective, in the short term, than construction of additional prison beds since, the state does not have to bond for jail construction. Therefore, the State has annually contracted with local county sheriffs for the housing of State inmates in local jails.

	2001	2002	2003	Est/Analyst
Financing	Actual	Estimated	Analyst	Difference
General Fund	17,193,200	17,191,200	15,101,200	(2,090,000)
Federal Funds		110,000	110,000	
Closing Nonlapsing	(10,200)			
Total	<u>\$17,183,000</u>	<u>\$17,301,200</u>	<u>\$15,211,200</u>	<u>(\$2,090,000)</u>
Expenditures				
Current Expense	31,700	31,000	31,000	
Other Charges/Pass Thru	17,151,300	17,270,200	15,180,200	(2,090,000)
Total	<u>\$17,183,000</u>	<u>\$17,301,200</u>	<u>\$15,211,200</u>	<u>(\$2,090,000)</u>
FTE/Other				

The New Jail Program

Under provisions of “Sentencing of Convicted Felons” (House Bill 118, 1999 General Session) the Jail Programs of the Department came under new rules and standards. One such provision required the state and local governments to establish a core rate for prisoners in county jail beds. The rate for FY 2002 is \$43.07 per bed per day. In FY 2003, this will decrease to \$42.32 per bed per day if approval is received from the Legislature. This rate applies to both the Reimbursement and Contracting Programs, with county-specific rates for medical and transportation costs added to the Reimbursement Program rates.

Impacts of the Rate Change

Under 64-13c-302 (UCA) the costs for jail programs of the state is adjusted annually. The new rate (for FY 2003) will be \$43.23 per bed per day. The impact of this change will be to allow the state to pay for more days in Jail Reimbursement and Jail Contracting with the current funding.

Performance Measures

FY 2001 Jail Data:

Days billed for jail as a condition of probation	247,520
Days paid for condition of probation	159,081
Days contracted	397,640

3.17 Medical Services

Recommendation

The Analyst recommends a continuation for this program.

	2001	2002	2003	Est/Analyst
	Actual	Estimated	Analyst	Difference
Financing				
General Fund	16,940,500	17,272,600	15,845,300	(1,427,300)
General Fund, One-time		(31,300)		31,300
Federal Funds	958,700	11,800	11,800	
Dedicated Credits Revenue	121,000	159,800	160,100	300
Transfers		17,000		(17,000)
Transfers - Commission on Criminal	700,300	531,800	97,800	(434,000)
Transfers - Other Agencies			500	500
Beginning Nonlapsing	6,300	12,000		(12,000)
Closing Nonlapsing	(12,000)			
Total	<u>\$18,714,800</u>	<u>\$17,973,700</u>	<u>\$16,115,500</u>	<u>(\$1,858,200)</u>
Expenditures				
Personal Services	11,026,000	11,158,500	9,280,600	(1,877,900)
In-State Travel	5,500	3,600	4,600	1,000
Out of State Travel	16,400	2,000	2,300	300
Current Expense	4,155,200	3,831,000	3,867,100	36,100
DP Current Expense	142,900	157,800	140,100	(17,700)
Capital Outlay	6,000			
Other Charges/Pass Thru	3,362,800	2,820,800	2,820,800	
Total	<u>\$18,714,800</u>	<u>\$17,973,700</u>	<u>\$16,115,500</u>	<u>(\$1,858,200)</u>
FTE/Other				
Total FTE	240	188	153	(35)
Vehicles	4	4	3	(1)

Purpose

The recommendation reflects the requirement to provide medical, dental and mental health care to those incarcerated by the state. Local medical services for the Gunnison and Iron County facilities are carried in those budgets. This budget includes medical services at Draper and major medical services provided in other settings. Major medical services (and expenses) are provided by outside contracts, most notably the University of Utah Medical Center.

This budget represents the medical care provided for those in State custody. Prisoners have a right to medical care and the State has a duty to provide this care. The Draper clinical area and medical and mental health units continue to serve the growing population with basic medical services. One of the consequences of a history of inadequate care has been lost lawsuits.

Dental health is another area of concern. Inmates are also entitled to reasonable dental care, but, slowness in providing this care is not a violation of the reasonable provision of dental care. The rule-of-thumb is providing service similar to what is available to the general public. In an average week the Draper dental staff see 215 inmates for routine dental care and emergency work. In addition, some are sent to community dentists for specialized dental surgery.

**Medical Services –
Contracts and Cost
Increase**

General medical costs grow in relation to the population of the prison. For example, the Corrections contract with the University Hospital currently pays at approximately 68.6 percent of the contracted service charges. The new contract will require a higher payment ratio. If the payment ratio increased to 80 percent and the contracted services increased 10 percent, hospital costs would increase \$543,200. At the same time the cost of pharmaceuticals and medical lab services have grown even more significantly. Corrections spends nearly \$1 million a year on mental health medications alone. Therefore, the Analyst recommends \$1,150,000 in General Funds for overall medical cost increases.

**Pre-existing Medical
Problems**

Inmates enter prison with a variety of preexisting conditions that put inordinate economic pressure on the administration of health care. Among these are high rates (numbers cited are for calendar year 2000) of:

- ▶ Drug and Alcohol Abuse,
- ▶ Psychiatric Disorders,
- ▶ Suicide,
- ▶ Diabetes (116 cases),
- ▶ Seizure disorders (85 cases),
- ▶ Asthma (278 cases),
- ▶ Hypertension (324 cases),
- ▶ Sexually transmitted diseases (including the HIV virus),
- ▶ Tuberculosis, and
- ▶ Dental problems.

**Medical Co-pay by
inmates**

As an inmate, they have limited control of their environment. Medical care represents the facing of the “establishment,” and provides an inmate an opportunity to manipulate authority - related people. For this and other reasons, inmates have a higher incidence of requests for medical services. This effort to achieve personal, secondary gains adds greatly to the cost and frustration of inmate medical services. Utah has made a surcharge to the inmate for supplemental (not requested by staff) medical services as a mechanism to control extra care/treatment requests. The Department should report on its success date.

HIV and AIDS

The HIV virus is known to be transmitted via IV-drug use as well as sexual contact and blood transfusions. While the incidence of AIDS in the general population has been increasing, the incidence within the prison system is growing at 2 to 5 percent, *per year*. This is compounded by, and with the fact that 90 percent of seropositive HIV show some degree of immune deficiency within five years and doctors believe that all individuals infected with HIV will become ill and die.

Typically, correctional systems are being expected to spend between \$72,000 and \$130,000 for hospitalization and treatment of a single AIDS patient. Currently the prison system has 35 HIV positive inmates.

Hepatitis

The potential loss of life is much greater for Hepatitis, however, than from AIDS, *per se*. Fulminate Hepatitis B causes death within seven to 48 days with an average cost for treatment running from \$88,000 to \$155,000 per patient.

Hepatitis C is a much slower killer, but, more pervasive in the inmate population. Interferon treatments for this disease are \$350.00 per month or \$4,200 per year per individual. The interferon/ribavirin treatment costs \$530 per month or \$6,360 per year per individual. There is no vaccine against Hepatitis C.

Current inmate cases:

Tested positive for Hepatitis B or C	548
Currently have Hepatitis C	513

Aging Population Means Increased Medical Demands

The percentage of inmates over the age of 60 has increased dramatically (131 men and 3 women as of 14 Nov. 2001) over the last two decades although the percentage of elderly inmates has remained about the same for several years. Existing data show this population used one and one-half as much medical care as the general population. These individuals are more prone to chronic diseases. "Senior" inmates require many more prescriptions and most particularly the expensive medications, and much more of the in-patient services when sent to the University Medical Center.

Mentally Ill

In the Congressional debate on budgeting (reported Wednesday October 25, 2000 by AP Wire services) Rep. Strickland from Ohio suggested that, **"...prisons have become America's new mental Asylums"**. In Senate debate Sen. DeWine of Ohio reported that **"...16 percent of all inmates in America's state prisons and local jails are suffering from mental illness"**.

A 1997 one-day count in Alaska prisons found 29 percent of inmates suffered from mental illness. Estimates as high as 15 percent for the Utah system have been made with 150 or more being serious and chronic.

A Bureau of Justice Statistics Special Report (July 1999) indicates that 53 percent of mentally ill inmates are in prison for a violent offense, compared to 46 percent of the other inmates. Conversely, Mentally ill offenders were less likely than others to be incarcerated for a drug related offense (13 percent vs 22 percent).

In Utah a 16 percent figure would equate to over 800 inmates needing mental health services. The facility formerly used as a woman's prison has been refurbished and remodeled and now serves as a forensic facility housing 132. The subcommittee may wish a report on the progress of programs for the mentally ill with the new facility now on-line.

Co-pay for Medical Services

As in 15 other states, Utah recognized the increasing demand for medical services in its institutions. Inmate non-emergency visits grew both in parallel with the growth in general population and as a result of the inmate's perception that this was a part of the "system" over which they had some control and options.

To forestall unnecessary medical visits the Department instituted a co-pay system, which immediately saw results in reduced spurious medical demands. Other benefits of such a program are:

- ▶ Increased time for medical staff to spend with the truly need patients
- ▶ Promotion of responsibility among patients
- ▶ Increased staff morale
- ▶ Saved staff hours

Clearly co-pay reduces the number of sick call visits. However, research conducted by the Florida Department of Corrections on their \$4 co-pay program suggests that any savings may be offset by increased emergency services required. Preliminary data shows a number of inmates defer sick call, but, eventually cost even more in: (1) treatment, (2) inmate grievances and (3) potential lawsuits.

Medical Services – Sex Offender Treatment

The prisons of the state hold over 1300 offenders who are sex-offender registry eligible. Currently only approximately 500 are able to receive treatment. The balance of the sex-offenders must wait for treatment opportunities to become available. Treatment for sex offenders is one of the criteria used by the Board of Pardons in reviewing inmate's records for release decisions.

3.21 Data Processing Internal Service Fund (ISF)

Recommendation The Analyst recommends a continuation budget for the Internal Service Fund of \$1,815,000.

	2001	2002	2003	Est/Analyst
Financing	Actual	Estimated	Analyst	Difference
Dedicated Credits - Intragvt Rev	1,573,100	1,814,400	1,815,000	600
Closing Nonlapsing	307,600			
Total	\$1,880,700	\$1,814,400	\$1,815,000	\$600
Expenditures				
Personal Services	254,900	215,800	216,600	800
In-State Travel	10,400	10,400	10,400	
Out of State Travel	500			
Current Expense	28,100	28,300	28,100	(200)
DP Current Expense	1,370,700	1,343,800	1,343,800	
DP Capital Outlay	212,500	212,500	212,500	
Other Charges/Pass Thru	3,600	3,600	3,600	
Total	\$1,880,700	\$1,814,400	\$1,815,000	\$600
FTE/Other				
Total FTE	5	4	4	

Financing As an internal service fund the following data elements need to be reviewed and affirmed by formal action of the subcommittee to be included in the appropriations act:

FTE	10
Capital Outlay	\$417,000
Billing Rate	\$250 per device per month

3.18 Utah Correctional Industries (an Enterprise Fund)

Recommendation The Analyst is recommending a continuation budget.

Purpose

	2001	2002	2003	Est/Analyst
Financing	Actual	Estimated	Analyst	Difference
Dedicated Credits Revenue	12,712,200	16,025,300	16,043,000	17,700
Transfers - Commission on Crimi		(50,000)		50,000
Closing Nonlapsing	111,900		(50,000)	(50,000)
Total	<u>\$12,824,100</u>	<u>\$15,975,300</u>	<u>\$15,993,000</u>	<u>\$17,700</u>
Expenditures				
Personal Services	5,215,600	5,627,200	5,651,600	24,400
In-State Travel	28,300	73,700	73,700	
Out of State Travel	2,300	2,300	2,300	
Current Expense	7,505,800	1,564,600	1,582,800	18,200
DP Current Expense	104,000	112,300	112,300	
DP Capital Outlay	19,400	19,400	19,400	
Capital Outlay	385,500	348,500	348,500	
Other Charges/Pass Thru	(436,800)	8,227,300		(8,227,300)
Cost of Goods Sold			8,202,400	8,202,400
Total	<u>\$12,824,100</u>	<u>\$15,975,300</u>	<u>\$15,993,000</u>	<u>\$17,700</u>
FTE/Other				
Total FTE	117	110	110	
Vehicles			67	67

The Legislature’s intention, as indicated by statute, is that Correctional Industries provide an environment for the operation of correctional industries that closely resembles the environment for the business operations of a private corporate entity. Included in this intent of the Legislature are four standards, which Correctional Industries are to maintain. These are:

- ▶ The Division is to be a self-supporting organization.
- ▶ The Division’s economic goal is to be profit-oriented.
- ▶ Revenue for operations and capital investment are to be generated by the Division.
- ▶ The Division should assume responsibility for training offenders in general work habits, work skills, and specific training skills that increase their employment prospects when released.

Operational Structure

The Division of Correctional Industries creates business opportunities under the direction of the Advisory Board of Utah Correctional Industries. This Board consists of seven members that are:

The Director of the Department of Corrections (or his designee),
 One member appointed by the House Speaker,
 One member appointed by the Senate President,
 One member appointed by the Corrections Advisory Council, and

The Governor appoints the remaining three members.

The members of the Board are to have decision-making experience in production, finance, and marketing. The statute also requires that one member of the Board represent labor.

Under the auspices of the Advisory Board, enterprises are created which allow the inmates an opportunity to work in enterprises, which closely resemble business operations of a private corporate nature. The Division has chosen to operate those business enterprises, which operate at a profit while meeting other Division goals. This means that profitable business enterprises subsidize unprofitable operations, but, only when it is determined that the unprofitable entities contribute to an extent that justifies the training/teaching nature of the operation over the profit orientation of the enterprise.

Organization

The Division of Correctional Industries is managed under the direction of the Division Director. He has been given responsibility, by the Legislature, to:

- ▶ Determine personnel needs and requirements of the program.
- ▶ Hire all subordinate personnel in accordance with State policy and procedures.
- ▶ Market and deliver correctional industry products and services.

Inmate Employees

Obviously, businesses operated by the Division of Correctional Industries are in the main manned by inmate populations. This raises two concerns: (1) security for the inmates, and (2) security from the inmates.

Security for the inmates is a cost incurred by the Division already addressed earlier and poses an interesting problem. How much freedom do you allow an inmate and to what extent can you utilize inmate labor before it becomes a security concern?

Inmates are housed in a correctional facility because of a past history of actions on their part, which were deemed inappropriate in our society. Through Correctional Industries we are allowing them some freedom in order to help reintroduce them into society after they serve their allotted time. Inherent in this freedom is the chance that an inmate could manipulate the system. Manipulation of the system could range from innocent pranks to serious problems.

Programs of UCI

The following chart shows the type of correctional employment programs being offered around the country and within Utah:

Correctional Industries Products and Services

Product/Service	# of States	Federal	Local	Utah
Agricultural Commodities	28		Y	
Architectural/Engineering	4	Y		
Asbestos Abatement	4			Y
Athletic Products	7	Y	Y	
Bakery	7		Y	
Beef Cattle	20		Y	Y
Beverages	3			Y
Bindery	20	Y	Y	Y
Boxes/Cartons	13			
Brooms/Brushes/Mops	11	Y	Y	
Community Work Crews				Y
Construction	13		Y	Y
Crack Sealing				Y
Dairy	19		Y	Y
Data Processing	29	Y	Y	Y
Decals	40	Y	Y	Y
Dental	8			
Electronics (Computer for Schools	9	Y	Y	Y
Electronic Component Recycling				Y
Emergency Products	8			
Flat Goods	39	Y	Y	
Food Processing	17		Y	
Footwear	11		Y	
Furniture	51	Y	Y	Y
Garments	48	Y	Y	Y
GIS/CADD	17	Y	Y	
Healthcare Products	6		Y	
Laser Cartridge Rebuilding				N
Laundry	20	Y	Y	N
License Plates	43			Y
Lumber	10		Y	
Mattresses	44	Y	Y	Y
Metal Products	50	Y	Y	Y
Micrographic	13			Y
Optical	9	Y		
Paint	8		Y	
Poultry	4		Y	
Print	48	Y	Y	Y
Recycled Products	18	Y	Y	Y
Refurbishing	44	Y	Y	
Roofing				Y
Sanitary Maintenance	16		Y	Y
Signs	48	Y	Y	Y
Telephone Services	20	Y	Y	N
Tires	5			
Upholstery	48	Y	Y	Y
Vehicle Renovation	18	Y	Y	

Source: 1998 correctional Industries Association Directory and BJA Jail Work and Industry Center

UCI currently operates road crews out of the following county jails:

- Box Elder—1 crew
- Weber—1 crew
- Summit—1.5 crews
- Wasatch--.5 crews
- Washington—1 crew

The following UCI FY 2001 financial data is for the UCI businesses and private firms working through UCI:

Current Employment (with 5 year comparisons)

- ▶ 15.5 percent of total inmate population (16 percent in 1997)
- ▶ 39 percent of the offenders available to work (national average is 5-7 percent)
- ▶ Daily participation of 611 offenders (634 in 1997)
- ▶ 3,029 participants throughout the year (1,000 in 1997)

Utah Corrections Industries Profit/(Loss) Statement
for the Year Ending June 30, 2001

Sales	12,358,577.57
Service Fees	374,090.93
Cost of Goods Manufactured	10,227,267.87
Finished Goods, July 1, 2000	55,163.40
Cost of Goods Available for Sale	10,282,431.27
Finished Goods, June 30, 2001	75,459.10
Cost of Goods Sold	10,206,972.17
Gross Margin	2,525,696.33
Indirect Expenditures	3,089,431.31
Non-Operating Income	54,922.82
Net Profit/(Loss)	(508,812.16)
Retained Earnings, Beginning of Period	526,036.73
Retained Earnings, End of Period	17,224.57

The Analyst notes that negative net profits can occur as UCI provides capital for expansion, equipment, and facilities.

Entrepreneurship at UCI

While the Division seeks to identify business opportunities that would enhance their program and broaden the inmate population affected by their operations, they continually start and eliminate business ventures. This process is appropriate since they are not mandated to operate for profit purposes, only to operate at a profit. The Analyst notes that all new business start-ups are subject to advisory board review.

The Analyst has in the past recommended that the Legislature allow latitude to the UCI Board in regards to FTE. Where a new business opportunity might present itself within a year (between Legislative Sessions) the Board should be able to act and, if necessary, approve new hires to accommodate the new opportunity. The Analyst notes that there are two representatives of the Legislature on the Board.

Intent Language

The Analyst recommends the inclusion of the same intent language as in previous years as follows:

“It is the intent of the Legislature that the Utah Correctional Industries Board be authorized to approve increases in FTE for the Division where such increases will directly impact employment opportunities for the state and/or benefits to other state programs.”

The Analyst notes that the UCI operations have had to expand to accommodate the dispersion of the inmate population to Gunnison and jails throughout the state.

The Analyst recommends the following intent language:

“It is the intent of the Legislature that the Department of Corrections be given authority to transfer up to \$500,000 in nonlapsing funds from the Divisions of Institutional Operations and Adult Probation and Parole for use by the Division of Correctional Industries. The funding can only be used to support offender work programs which teach inmates useful skills or provide the state with an important service.”

3.20 Jail Reimbursement

Recommendation The Analyst recommends a reduced budget for FY 2003 for Jail Reimbursement. The total recommended allocation is \$7,500,000. This is a 3.4 percent reduction. No reduction was made for FY 2002 due to contract and allocation requirements.

	2001	2002	2003	Est/Analyst
	Actual	Estimated	Analyst	Difference
Financing				
General Fund	7,261,000	7,760,600	7,500,000	(260,600)
Total	<u>7,261,000</u>	<u>7,760,600</u>	<u>7,500,000</u>	<u>(\$260,600)</u>
Expenditures				
Other Charges/Pass Thru	7,261,000	7,760,600	7,500,000	(260,600)
Total	<u>7,261,000</u>	<u>7,760,600</u>	<u>7,500,000</u>	<u>(\$260,600)</u>
FTE/Other				

Summary The 1993 Legislature recreated a jail reimbursement program (64-13c-302 UCA) to fund county jails for keeping offenders sentenced to jail as a condition of probation. The bill required the Department of Corrections to request jail reimbursement funds each year on a sliding scale so that after five years the program would be at full funding. First year funding (FY 1994) for this program was \$250,000. Funding for FY 2001 was \$7,260,600 which paid for 64% of the total Jail Reimbursement days billed by the counties. FY 2002 funding is \$7,760,600 which will not cover the total cost of the program. Jail Reimbursement has never received full funding by the Legislature.

Jail reimbursement was eliminated in FY 1990 with an agreement that the State would fund the leases on the District Courts and pay for bailiffs in the District Courts. This continues to be done to the present time.

The next page details the funding history for Jail Reimbursement.

Recommendation The Analyst recommendation is a 3.4 percent reduction compared to the FY 2002 Appropriated budget. This reduction is made at a time when the Department has experienced a 5.6 percent reduction in FY 2002 and 4.4 percent reduction in FY 2003.

4.0 Additional Information: Utah Department of Corrections

4.1 Funding History

	1999	2000	2001	2002	2003
Financing	Actual	Actual	Actual	Estimated	Analyst
General Fund	150,056,900	161,374,700	173,135,400	183,657,000	178,598,600
General Fund, One-time				(10,243,400)	(2,900,000)
Federal Funds	2,348,800	2,584,700	1,286,500	3,008,000	1,121,800
Dedicated Credits Revenue	15,258,400	16,827,400	15,724,600	19,496,500	19,533,100
GFR - Tobacco Settlement			81,700	81,700	81,700
Transfers		2,943,200		226,800	
Transfers - Commission on Criminal and	933,700	1,201,900	1,878,400	711,300	773,700
Transfers - Federal		6,300			
Transfers - Other Agencies		838,000			500
Transfers - Other Funds		75,000			
Pass-through			29,200		
Beginning Nonlapsing	2,543,400	6,211,900	4,058,200	2,138,600	
Closing Nonlapsing	(6,211,400)	(4,058,200)	(2,026,700)	12,100	(50,000)
Lapsing Balance		(10,600)			
Total	\$164,929,800	\$187,994,300	\$194,167,300	\$199,088,600	\$197,159,400
Programs					
Administration	8,567,000	9,027,000	9,080,500	8,649,500	13,470,400
Field Operations	30,874,600	35,176,400	38,245,700	38,412,700	39,024,400
Institutional Operations	79,178,200	91,374,800	107,851,200	110,316,800	105,056,100
Draper Medical Services	14,604,300	16,242,800	18,714,800	17,973,700	16,115,500
Utah Correctional Industries	12,795,700	14,638,700	12,824,100	15,975,300	15,993,000
Forensics	190,000	190,000	190,000		
Jail Reimbursement	7,428,200	7,433,700	7,261,000	7,760,600	7,500,000
Jail Contracting	11,291,800	13,910,900			
Total	\$164,929,800	\$187,994,300	\$194,167,300	\$199,088,600	\$197,159,400
Expenditures					
Personal Services	97,082,200	107,601,300	116,084,300	121,672,600	122,330,000
In-State Travel	190,800	191,000	246,900	189,700	326,900
Out of State Travel	74,300	74,200	84,200	1,543,400	70,500
Current Expense	40,030,700	39,050,200	43,463,500	24,569,200	29,364,500
DP Current Expense	3,220,700	3,930,600	3,733,700	1,410,600	2,419,200
DP Capital Outlay	1,183,100	4,240,100	53,900	19,400	119,300
Capital Outlay	3,216,500	463,100	623,500	348,500	348,500
Other Charges/Pass Thru	19,931,500	25,164,100	30,186,100	49,335,200	33,978,100
Cost of Goods Sold		7,279,700	(308,800)		8,202,400
Total	\$164,929,800	\$187,994,300	\$194,167,300	\$199,088,600	\$197,159,400
FTE/Other					
Total FTE	2,234	2,266	2,334	2,315	2,318
Vehicles			299	299	359

4.2 Federal Fund

Program		FY 2001 Actual	FY 2002 Estimated	FY 2003 Analyst
Administration - Executive Director National Sex Offender Registry	Federal	\$1,000	\$0	\$0
	Required State Match			
	Total	1,000	0	0
Administration - Administration National Sex Offender Registry	Federal	136,800		
	Required State Match			
	Total	136,800	0	0
Division of Institutional Operations National Sex Offender Registry	Federal	0	110,000	110,000
	Required State Match			
	Total	0	110,000	110,000
Medical Services State Criminal Alien Assistance Prgm	Federal	189,900	2,886,200	1,000,000
	Required State Match			
	Total	189,900	2,886,200	1,000,000
Medical Services State Criminal Alien Assistance Prgm	Federal	958,800	11,800	11,800
	Required State Match			
	Total	958,800	11,800	11,800
TOTAL	Federal	1,286,500	3,008,000	1,121,800
	Required State Match	0	0	0
	Total	\$1,286,500	\$3,008,000	\$1,121,800